

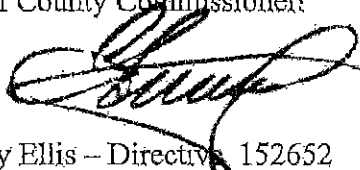
Memorandum

MIAMI-DADE
COUNTY

Agenda Item No. 2(B)3
May 17, 2016

Date: April 19, 2016

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Report Regarding Perry Ellis -- Directive 152652

This memorandum is in response to Resolution No. R-1040-15, adopted by the Board of County Commissioners (Board) on November 17, 2015, which directed the Miami-Dade Aviation Department to review information regarding allegations of discrimination made against Perry Ellis Menswear, LLC (Perry Ellis), as well as a recommendation as to potential future actions.

Miami-Dade Aviation Department (MDAD) staff contacted Perry Ellis for information on its business practices and their impact upon its employees. Perry Ellis provided the following information which was reviewed by MDAD staff:

Code of Ethics and Conduct

The Code of Business Ethics and Conduct (Attachment 1) requires compliance with all local laws, rules and regulations, and governs a wide area of conduct. It provides for equal employment opportunities for all without regard to protected classification and prohibits any form of harassment including, but not limited to, harassment on the basis of sexual orientation or race.

Social Responsibility Policy

The Social Responsibility policy (Attachment 2) addresses the worldwide working conditions of the Perry Ellis organization, including workplace diversity, environmental sustainability, and investment in local communities.

Employee Handbook

The Perry Ellis Employee Handbook (Attachment 3) prohibits any form of employment discrimination or harassment, and outlines a complaint procedure for employees to report inappropriate conduct or incidents of alleged discrimination.

Affirmative Action Plan

This Affirmative Action Plan (Attachment 4) provides for equal employment opportunity for all employees and a harassment-free workplace. It incorporates the company's Vendor Code of Conduct which prohibits child and forced labor, harassment, abuse and discrimination by vendors of Perry Ellis. Finally, Perry Ellis has offered domestic partnership benefits to its employees for nearly a decade.

The lawsuit filed by Mr. Cook has been amicably resolved and Mr. Cook has resigned his position with Perry Ellis International, effective January 22, 2016.

Mr. Cook issued the following statement: "A lot of dialogue and reflection has occurred since the filing of my lawsuit. PEI is a diverse and inclusive Company, and has always been so. My overall tenure at

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And Members, Board of County Commissioners
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the Company demonstrates that the comments I complained about are not reflective of the overall culture of Perry Ellis, the character of its leadership, or the Feldenkreis family. I have decided my career goals are best served by pursuing one of the many opportunities available to me. I wish the Company and all of the people at PEI all the best."

Based upon these facts and the information provided by the company and attached hereto, it is recommended that MDAD proceed with the Perry Ellis lease at Miami International Airport. MDAD will continue to monitor the situation and if anything changes in the future, a full report will be presented to the Board.

If additional information is required, please contact MDAD Director Emilio T. González at (305) 876-7077.

Pursuant to Ordinance 14-65, this memorandum will be placed on the next available Board meeting agenda.

c: Abigail Price-Williams, County Attorney
Jack Osterholt, Deputy Mayor, Office of the Mayor
Emilio González, Director, Miami-Dade Aviation Department
Charles Anderson, Commission Auditor
Eugene Love, Office of Agenda Coordination



CODE OF ETHICS AND CONDUCT

PURPOSE

Perry Ellis International, Inc.'s ("PEI" or "Company") Code of Business Ethics and Conduct (the "Code") is designed to proactively promote ethical behavior, to protect the valued reputation of our Company and our directors, officers and employees, to help us operate as good corporate citizens, display the highest standards of conduct and to continue to demonstrate that we can be successful, while maintaining PEI's values which have served us well over the years. The Code applies to all our directors, officers and employees.

PEI expects to be successful in the marketplace because of the quality and integrity of its directors, officers and employees, and the products we provide. We expect our customers, business partners and others with whom we do business to operate similarly.

Each of us is responsible for our own actions and for knowingly complying with the law and the company's policies and procedures, including the policies set forth in this Code. Personal consequences for violations of this Code are serious and can include termination of employment, recovery of damages and filing of criminal charges.

FAIR DEALING

As a responsible world-class company, we recognize that our continuing success depends on the contributions and effectiveness of all of our directors, officers and employees around the world. Maintaining an atmosphere in which this success is assured requires strict adherence to the highest standards of conduct in all of our relationships.

All of our dealings with fellow directors, officers, employees, customers, suppliers, competitors, and any others with whom we come in contact as representatives of PEI are based on mutual respect, trust and honesty, and we must endeavor to treat such individuals fairly. You must not take unfair advantage on anyone through manipulation, concealment, abuse of privileged information, intentional misrepresentation of facts or any other unfair practice.

REPORTING CODE VIOLATIONS

It is important to report all violations or suspected violations of the Code. If you have a question about the policies outlined in the Code, talk to your supervisor. If you want to report a possible violation, call the Employee Help line. Reports to the Employee Help line may be made anonymously. Confidentiality for those who report will be maintained to the extent possible. Neither your supervisor nor the Company will take any action against you for reporting suspected misconduct in good faith.

CONFLICTS OF INTEREST

It is the policy of PEI that no director, officer or employee may engage in any activity that gives rise to an actual or perceived conflict of interest unless such conflict of interest is disclosed to PEI and approved by the legal department after consultation with such members of senior management as appropriate or, with respect to directors and officers, is approved by the Board of Directors.

To make the best choices, we must remember that our loyalties are with PEI and that we must avoid situations resulting in divided loyalties. We must act with honesty and integrity, avoiding actual or perceived conflicts of interest in personal and professional relationships. A conflict of interest occurs when an individual's private interest interferes in any way, or even appears to interfere, with the interest of PEI as a whole. In the performance of our responsibilities, our first obligation and loyalty is to PEI. In dealing with customers, suppliers, or competitors, we must not engage in activities that make it difficult to perform our work objectively and effectively or, directly or indirectly, cast doubt or create even the appearance that we cannot act with complete objectivity concerning the best interests of PEI.

Conflicts of interest may include, but are not limited to, the following:

1. Receiving improper personal benefits for yourself or your family as a result of your position at PEI;
2. Holding an ownership interest (other than a nominal amount of stock in a publicly-traded company) in any supplier, vendor, customer or competitor of PEI;
3. Lending money to, or borrowing money from, individuals or concerns that do business with or compete with PEI, except transactions with banks or other financial institutions in accordance with normal business practices;
4. Engaging in any outside business activity that is competitive with PEI's business;

5. Receiving any gifts, gratuities, or excessive entertainment fees or payments from any party with which PEI has business dealings, except for commonly distributed items of nominal value that are given for promotional purposes and that conform to customary industry practices. Any gifts that are not of nominal value must be returned immediately and reported to a supervisor. If an immediate return is not practical, the item or items should be given to PEI for charitable disposition;
6. Accepting outside employment that adversely affects your work for PEI;
7. Serving on a board of directors of any customer, supplier or competitor of PEI, unless such service has been disclosed to PEI and approved by senior management;
8. Using, for personal gain or for the benefit of others, confidential information obtained during your affiliation with PEI.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

PEI takes a proactive stance on compliance with all applicable laws, rules and regulations of federal, state and local governments, and other appropriate private and public regulatory agencies. Accordingly, PEI requires its directors, officers and employees to comply with all applicable laws, rules and regulations, including insider trading and antitrust laws. PEI also requires its directors, officers and employees to comply with the following:

Prohibition on Fraud. PEI strictly prohibits any fraudulent activity, including any act that constitutes cheating, stealing, deceiving or lying. You must act in good faith, responsibly, with due care, competence and diligence, without intentionally misrepresenting facts or allowing independent judgment to be subordinated.

Equal Opportunity. Our policy is to operate under sound and legal personnel policies. Our objective is to be equitable and fair in the treatment of all directors, officers and employees in all situations. This includes, but is not limited to the following: (1) the selection and placement of any individual is based in that individual's qualifications, without regard to race, religion, national origin, sex, age or disability; and (2) compensation is in accordance with an individual's contribution to PEI, without regard to race, religion, national origin, sex, age or disability.

Harassment-Free Workplace. The Company will not tolerate harassment by anyone, employee or non-employee. Any form of harassment related to an individual's race, color, religious creed, sex, sexual orientation, pregnancy, national origin, ancestry, age, marital

status, disability, veteran's status, or other factors protected by state, federal or local law is a violation of this Code and will be treated as a disciplinary matter. For these purposes, the term "harassment" includes but is not limited to:

- * Slurs, jokes, other verbal, graphic, or physical conduct relating to an individual's race, color, religious creed, sex, sexual orientation, pregnancy, national origin, ancestry, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law. Harassment also includes unwelcome sexual advances, requests for sexual favor and other verbal, written graphic, or physical conduct of a sexual nature.

Violation of this Code by an employee shall subject that employee to disciplinary action, up to and including termination.

If any employee feels that he or she is being harassed by any other employee based upon race, color, religious creed, sex, sexual orientation, pregnancy, national origin, ancestry, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law, the employee should, at once, inform the immediate Supervisor or any member of the Human Resources Department. Human Resources will see that the matter is investigated, and where appropriate, prompt remedial action taken. If an employee does not feel that the matter can be discussed with the Supervisor, the employee can inform any member of senior management.

Harassment of employees in connection with their work by non-employees may also be a violation of this Code. Any employee who becomes aware of any harassment of an employee by a non-employee should report such harassment to his or her Supervisor, or to the Human Resources Department who is responsible for investigating all such incidents. Appropriate action will be taken against violation of this Code by any non-employee.

Confidential Information Regarding Directors, Officers and Employees. In conducting business, it is necessary to collect maintain and use personal information about directors, officers and employees. Whether by paper or electronic files, only job-related information and personal information related to business, benefits and legal purposes will be collected and maintained. This information will be maintained on a strictly confidential basis and the privacy of the individual is respected and protected. The use or disclosure of any of this information is limited to required business or legal purposes.

Health and Safety. The safety and health of all directors, officers and employees is a shared responsibility. We make every effort to provide a workplace free of recognized hazards and to maintain facilities free of the hazards of impairment from the influence of

drugs or alcohol.

Alcohol and Drugs. Employees may not use, sell, possess, purchase or transfer alcohol or illegal drugs on Company premises, in Company vehicles or during work hours. The only exception is that alcohol may be consumed by people of legal drinking age at Company-sponsored functions that are approved by a Senior Vice President or above. Employees also must not be under the influence of illegal drugs or alcohol during work hours, regardless of when the drugs or alcohol were consumed. It is also a violation of this policy to sell, transfer or distribute personal prescription drugs on Company premises or during work hours.

International Trade Regulations. Employees involved with importing goods from various countries must be knowledgeable about and comply with relevant legal requirements. Employees who have questions about such requirements or other international trade issues are responsible for consulting with the Legal Department to prevent committing any potentially unlawful acts.

Bribes and Improper Payments. Employees or agents of the Company should never directly or indirectly offer, promise to pay or authorize the payment of money, products, services or anything of value to any government official or agent in any country in order to influence acts or decisions of government officials, to receive special treatment for the Company or for personal gain. While certain minor payments to certain non-U.S. government officials made to expedite or secure the performance of certain routine governmental actions may not violate the law, you must consult with the Legal Department prior to making or authorizing any payment of this type. All PEI employees worldwide must abide by the United States Foreign Corrupt Act in addition to local laws. Employees working with government officials should request further guidance from the Legal Department.

LABOR LAWS AND RECORDKEEPING

All time worked by non-exempt employees – whether scheduled or unscheduled, overtime or straight time, authorized or unauthorized – must always be recorded exactly as it occurred. Your supervisor will show you the procedure for recording time worked. You must keep record of time worked as required by law or policy. You should also note all time that you don't work but for which you are still paid and have your supervisor verify the time. If for any reason an entry must be changed, your supervisor must make the change, and you must initial it.

Non-exempt employees may not:

- Fail to record hours for work performed at home;
- Move hours from one day to another on a time record so as not to reflect overtime;
- Inaccurately record time worked;
- Remove correctly recorded hours from a time record.

All workers must be properly categorized (as exempt or non-exempt and as employee or independent contractor) under all employment and tax laws. In addition, you must comply with all laws regarding the employment of minors.

PROTECTION AND PROPER USE OF COMPANY ASSETS

All directors, officers and employees should protect PEI's assets and ensure their efficient and responsible use. Theft, carelessness and waste have a direct impact on PEI's profitability, and therefore all of PEI's assets should be used for legitimate business purposes.

No director, officer or employee may use PEI's property or services for any personal benefit or the personal benefit of anyone else. PEI realizes that sometimes the line between personal and company benefits are difficult to determine. The only prudent course of conduct for us is to ensure that any use of PEI property or services that is not solely for the benefit of PEI is approved beforehand by the Legal Department.

PUBLIC DISCLOSURES, INSIDE INFORMATION AND COMPANY STOCK TRADING

Because PEI's stock is publicly traded, there are specific rules about trading and the disclosure of information, which must be observed by all directors, officers and employees. We must all strive to ensure full, fair, accurate, timely and understandable disclosure in reports that we file with the Security and Exchange Commission (SEC) and in other public communications.

Applicable law also regulates the manner in which we use and disclose inside information, which primarily includes any material information about the Company that could affect the market price and investor decisions about our stock. Certain individuals will have access to inside information about PEI, which could include the Company's financial performance,

negotiations about acquisitions or divestitures, or new products. This inside information must be held in strict confidence, except when we are authorized or legally obligated to disclose the information.

It is both illegal and against our insider trading policy for any individual to profit from undisclosed information relating to PEI. Anyone who is in possession of any material inside information that PEI has not yet disclosed to the public may not buy or sell PEI stock, or advise others to buy or sell PEI stock, until the information has been released to the public and enough time (at least one full trading day) has passed to allow investor reaction in the stock market. For example, we must never disclose financial information to anyone outside the Company, including the media, except as expressly authorized. Inquires of this type should always be referred to the General Counsel.

Our insider trading policy also prohibits any director, officer or employee from buying, or selling, or advising others to buy or sell securities of any company, including suppliers, competitors or customers, based on information we have that has not been publicly disclosed.

The regulations on stock trading and disclosures are sensitive and complex. If you have any questions, please refer to the insider trading policy.

POLITICAL ACTIVITIES AND CONTRIBUTIONS

PEI encourages individual participation in the political process, and recognizes and respects that this is a matter of personal choice. Since our time at work should be devoted to handling our responsibilities, our policy and, in certain cases, the law prohibits the use of employee's time at work for political activities.

For similar reasons, and to avoid any appearance of conflict of interest, our policy also prohibits the use of Company property and assets for political activities and the payment of corporate funds to any political party, candidate or campaign. Any director, officer and employee who has a question about what is or is not proper should consult with the Legal Department before engaging in any activity that could be construed as involving PEI in any political activity, including any monetary contributions, at either federal, state, or local levels, or in any foreign country.

ACCOUNTING AND AUDITING MATTERS

Our financial statements and the books and records on which they are based must accurately reflect all Company transactions. Our policy requires that all receipts and disbursements of funds must be accurately recorded, and that our records disclose the nature and purpose of all transactions.

It is also our policy to cooperate fully with the internal and external auditors and to disclose to them all required information on a timely, complete and accurate basis so that they can help us to ensure compliance with these principles. No person acting on behalf of the Company may attempt to influence, coerce, manipulate or mislead any auditor or accountant engaged in an audit of the Company.

The Company's Audit Committee oversees this area. If you have concerns regarding questionable accounting or auditing matters, you may report your concerns to the CFO and General Counsel or call the Help line, which can be utilized on an anonymous and confidential basis, twenty four (24) hours a day.

PROTECTION OF CONFIDENTIAL INFORMATION

Confidential information is an important Company asset and often a competitive advantage, which we need to protect for the benefit of the Company and all employees. Directors, officers and employees must maintain the confidentiality of information entrusted to them by PEI or its customers, except when disclosure is authorized or legally mandated. We must not use confidential information acquired in the course of our work for our personal advantage. Confidential information includes all non-public information regarding, directly or indirectly PEI. For example, confidential information may include product compositions, business plans, non-published financial information, customer and employee lists and computer software.

It is our policy to limit access to this information to those employees who need it to do their jobs and to prohibit the release of this information to anyone outside of the Company without specific authorization from the appropriate manager and the completion of a confidentiality agreement by the person or firm to whom the information is to be provided.

PROTECTING THE BRAND

As PEI employees, we have a responsibility to protect all Company assets from loss, damage, misuse or theft. This includes intangible assets such as our brands, trademarks and reputation.

Our trademarks are valuable assets, and all employees and business partners should help protect them. As our Company becomes better known worldwide, we encounter increasing problems with counterfeit merchandise and "pirates" who try to sell merchandise under our trademarks. Our vendors are also prohibited from selling or otherwise improperly distributing any merchandise bearing our trademarks, called "sell-off" merchandise, to any third parties.

If you find sell-off or counterfeit merchandise – bearing any portion of any of our trademarks on labels, hang tags, price tags, pocket flashers, other packaging, or screened or embroidered onto the merchandise – in a location other than one of our stores or a store in our International Sales Program, note the name of the store, its location and size, and the volume of sell-off or counterfeit merchandise being sold.

COMPANY PROPERTY

PEI property (for example, merchandise, supplies and equipment) should be used only for business purposes and is not for personal use. Taking or using Company property of any value for personal purposes without permission is stealing. PEI property may never be used for illegal purposes. You are prohibited from doing anything that involves fraud, theft, embezzlement or misappropriation of Company property. Taking any Company property, including defective merchandise or samples, for personal use without permission is stealing. If you suspect that activities in a store, distribution center, or other facility are resulting in financial losses to the Company (for example stealing), contact the appropriate supervisor.

FRATERNIZATION

While we recognize and respect the rights of employees to associate freely and to pursue personal relationships with those they encounter in the work environment, employees must use good judgment in ensuring that those relationships do not negatively impact their job performance, their ability to supervise others, or the work environment.

Any workplace conduct arising from a romantic relationship, intimate relationship or friendship between employees may be improper if the conduct creates an uncomfortable work environment for others. Favoritism, open displays of affection, and making business decisions based on emotions or friendships rather than on the best interests of the Company are examples of inappropriate conduct.

Employees who find themselves in an intimate relationship or friendship should use tact, good judgment and sensitivity. Employees in a reporting relationship with someone that they are consensually dating or romantically involved with must inform the next level of management or Human Resources. We will work with both individuals to try to separate their employment responsibilities from their personal relationship in order to protect the interests of both employees and others and to avoid any conflict of interest.

DOING THE RIGHT THING

The principles set forth in this Code cannot identify all situations that require reporting and corrective action. They are intended to alert us all to potential problem situations and to give us all a better understanding of what is expected of us as directors, officers or employees in our business conduct. Problems in these areas can lead to adverse publicity and damage to our reputation, loss of customers, litigation, and distraction from doing our jobs, unnecessary expense and even criminal fines or imprisonment.

PEI directors, officers and employees want to do the right thing and they should be familiar with the laws and policies concerning standards of business conduct that apply to their jobs. Understanding these guidelines and the laws and regulations that apply wherever we do business and living within the principles described here are essential to the success and well-being of the Company, employees and their families, customers, suppliers, shareholders and neighbors in the communities in which we live and work.

Problem Reporting and Resolution

Trust your instincts. If you encounter a situation that makes you uncomfortable, there may be a real problem, which can be avoided or controlled if you seek prompt assistance. Consult your supervisor, human resources representative, a company lawyer, financial controller or any manager or other employee you trust.

If you have knowledge of any activity that is or may be a violation of this Code, you must report such activity promptly to the department of Internal Audit via external mail, 3000 NW 107th Avenue, Miami Florida, 33172, via telephone at (305) 873-1061, or via fax to (786) 221-8037; alternatively, you may call the toll-free Help line (1-800-454-9320), which can be utilized on an anonymous and confidential basis, twenty-four (24) hours a day.

No Retaliation

If you report in good faith a suspected violation of this Code or ask questions regarding this Code, you will not be subject to retaliation for doing so. No disciplinary or other retaliatory actions will be taken against any director, officer or employee for informing the Company of any violations of this Code.

Consequences for Violation

Violations of this Code will be subject to discipline. In some cases, discipline will include discharge. In addition, PEI may have a legal obligation to bring violations of the Code to the attention of appropriate enforcement authorities (as some violations are also violations of the law). In such cases, civil or criminal penalties may also be imposed.

Waivers

While most of the policies contained herein must be strictly adhered to, in certain cases, exceptions may be possible. Any director, officer or employee who believes that an exception to any of these policies is appropriate in his or her case should contact his or her immediate supervisor or the Law Department. Only The Board of Directors of PEI may waive this Code as it relates to directors or officers of the company.

International Coverage

This Code is not based entirely on the laws, regulations or rules of any particular country. As a global company, we must be sensitive to the requirements of doing business in many countries. The Code reflects the values that have made PEI and its directors, officers and employees successful and respected over the years. We can be proud of our record and reputation. Each of us has a responsibility to continue to protect the reputation we have earned.

[CONTACT US \(/Company/ContactUs\)](#)

[TERMS OF USE \(/Company/TermsOfUse\)](#)

[PRIVACY STATEMENT \(/Company/PrivacyStatement\)](#)

[CALIFORNIA TRANSPARENCY ACT \(/Company/TermsOfUse/CaliforniaTA\)](#)



SOCIAL RESPONSIBILITY

Perry Ellis International proudly maintains the highest standards of social accountability:

GLOBAL LABOR COMPLIANCE

We believe that every person has a right to decent, humane and safe working conditions. Prior to the placement of production, factories are evaluated against our Vendor Code of Conduct (/Company/Social Compliance) and local labor laws, and thereafter are frequently monitored to ensure continued compliance.

The Vendor Code strictly prohibits child and forced labor, harassment, abuse and discrimination. Among other standards, we require that suppliers maintain a healthy and safe working environment, freedom of association, restriction on working hours and proper payment of wages.

Training is a key part of our program. Our internal audit team provides factories with guidance including mandatory annual educational seminars to provide updates on local labor laws and to review case studies and best practices as well as other related topics.

WORKPLACE DIVERSITY

Our commitment to diversity is based on respect for the individual, regardless of sex, race, ethnicity, country of origin, preferences or ideas. Offices located around the world are staffed by a family of culturally diverse associates and backed by suppliers from over 30 countries, generating an open and dynamic environment which positively impacts all areas of our business.

ENVIRONMENTAL SUSTAINABILITY

We strive to increase responsible stewardship on a daily basis, from materials sourcing to fabrication and throughout the supply chain. Together with our retail partners, we have made substantial progress towards reducing the quantity of packaging materials and increasing the quality of component materials, in some instances removing poly bags on replenishment programs, increasing quantities-per-shipment, printing hangtags on partially-

recycled papers, and producing clothing with organic materials or recycled polyester. Meanwhile, our warehouses re-use or recycle corrugated cardboard, having surpassed 60 tons per month of recycling in our Tampa facility.

Our associates have also joined the effort. An ongoing program called Eco-Start® not only educates associates but encourages new ideas. It has lead to recycling programs in all offices, moderated thermostat settings, digital paystubs and an increased usage of digital forms, lighting occupancy sensors and the replacement of warehouse lighting with low-consuming halogen bulbs, closed-topped and washable beverage containers given to associates for use with filtered water fountains, and corporate printing that is forestry certified and uses at least 30% post-consumer waste material, among other initiatives.

COMMUNITY INVESTMENT

Perry Ellis International and its associates are proud to contribute time and resources to the efforts of a number of international, national and local initiatives and charities which help strengthen our global communities. Through giving back to the people and institutions around us, we are able to transform our position as one of the country's top apparel producers into an agent of positive and responsible change.

[CONTACT US \(/Company/ContactUs\)](#)

[TERMS OF USE \(/Company/TermsOfUse\)](#)

[PRIVACY STATEMENT \(/Company/PrivacyStatement\)](#)

[CALIFORNIA TRANSPARENCY ACT \(/Company/TermsOfUse#CaliforniaTA\)](#)



[\(https://www.facebook.com/PE\[Corp\]\)](https://www.facebook.com/PE[Corp])



[\(https://twitter.com/peicorp\)](https://twitter.com/peicorp)



[\(http://instagram.com/peicorp\)](http://instagram.com/peicorp)

ATTACHMENT 3

PERRY ELLIS INTERNATIONAL

EMPLOYEE HANDBOOK

THIS HANDBOOK IS NOT A CONTRACT OF EMPLOYMENT, EXPRESS OR IMPLIED, REGARDING ANY OF THE ISSUES DISCUSSED IN THIS HANDBOOK. PERRY ELLIS CAN TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME AND FOR ANY REASON, WITH OR WITHOUT NOTICE, AND WITH OR WITHOUT WARNING, IN THE EVENT OF A CONFLICT BETWEEN THE POLICIES EXPRESSED IN THIS HANDBOOK AND STATE LAW OR LOCAL LAW, STATE OR LOCAL LAW WILL CONTROL.

Welcome to Perry Ellis International

Welcome to Perry Ellis International, Inc. (PEI). We are pleased that you have chosen to become a part of our winning team. We believe that our growth and strength over the years have been a direct result of the hard work, determination and loyalty of our associates. We want to continue to grow, and we need your help.

It is our goal to provide you with a pleasant and rewarding work environment. We strive to create an open, positive and inspiring atmosphere in which you can maximize your potential as an individual while maximizing your individual contribution to our team. The benefits and policies described in this Employee Handbook were designed with those goals in mind.

If you believe there is something we could be doing better, we want to know about it. If you feel there is an area where we are strong, we like to hear about it. It is feedback from associates like you, no matter what your role in the company, which allows us to excel. From new ideas to constructive criticisms, all opinions are welcomed here at PEI. So please remember that under any circumstance, we want you to tell us if you are having a problem in our workplace.

Thank you for making the move to Perry Ellis International! We look forward to a long-lasting, mutually rewarding relationship - because having happy associates is our style, and a smile is the best accessory we could ever create.

Again, welcome to Perry Ellis!



George Feldenkrais
Chief Executive Officer

PURPOSE OF HANDBOOK

This Employee Handbook contains general information regarding our relationship with you. It is not intended to be comprehensive or to address every possible situation that might arise in the workplace. To the contrary, the purpose of this Handbook is to serve as a general outline of the benefits and policies available to you as one of our employees. The policies and procedures in this Handbook may not apply to every situation and, therefore, we reserve the right to deviate from any of these policies whenever we deem appropriate.

Please be aware that the descriptions of the benefits in this Handbook are subordinate to the written terms and conditions of the underlying benefit plan, if any. Therefore, if there is a conflict between the description of the benefits in this Handbook, and the terms and conditions of any applicable benefit plan document or underlying insurance contract, the latter will always control. For that reason, if you have any questions concerning your eligibility for a particular benefit, you should address your specific questions to the Human Resources Department.

The policies and benefits in this Handbook apply to all non-bargaining unit employees of Perry Ellis International, Inc., and any of its subsidiaries or divisions. Some of the policies in this Handbook may also be the subject of a state law in the jurisdiction where you work. Of course, in the event of a conflict between state law and any of our benefits or policies, state law will always control. We may also have specific policies that apply only to employees in a particular state.

In most cases, our employment relationship with you is on an "at-will" basis. That means that you can terminate your employment with the Company at any time, with or without notice and with or without cause. Likewise, the Company can terminate the employment relationship at any time, with or without notice and with or without cause. Nothing in this Handbook is intended to be a guarantee of employment for any definite term. Similarly, nothing in this Handbook is intended to be a contract or guarantee as to any of the policies described in the Handbook. This Handbook is not a contract of employment, express or implied, as to any term or condition of employment.

THIS HANDBOOK IS NOT A CONTRACT OF EMPLOYMENT, EXPRESS OR IMPLIED, REGARDING ANY OF THE ISSUES DISCUSSED IN THIS HANDBOOK. PERRY ELLIS CAN TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME AND FOR ANY REASON, WITH OR WITHOUT NOTICE, AND WITH OR WITHOUT WARNING. IN THE EVENT OF A CONFLICT BETWEEN THE POLICIES EXPRESSED IN THIS HANDBOOK AND STATE LAW OR LOCAL LAW, STATE OR LOCAL LAW WILL CONTROL.

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A. Equal Employment Opportunity

We Provide Equal Employment Opportunities

Perry Ellis prohibits any form of illegal discrimination against employees and applicants for employment. This policy prohibits discrimination based on race, color, religion, gender, sexual orientation, pregnancy, national origin, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law. Our policy applies to all aspects of the employment relationship, including recruitment, hiring, promotion, transfer, compensation, benefits, training, development, layoffs, termination, and all other personnel decisions affecting employees and applicants for employment.

We Accommodate Individuals With Disabilities

The Company complies with the Americans with Disabilities Act and applicable state and local laws prohibiting discrimination in employment against individuals with disabilities. The Company will not discriminate against any employee or applicant for employment on the basis of a disability. Furthermore, the Company will reasonably accommodate qualified individuals with disabilities. A qualified individual with a disability is an applicant or employee who, with or without a reasonable accommodation, can perform the essential functions of the applicable job. If you are disabled, we encourage you to communicate with our Human Resources Department and to propose any accommodation that you feel would assist you in fulfilling the essential functions of your job. Medical related information will remain confidential.

Harassment is Prohibited

Perry Ellis is committed to providing a working environment free from illegal sexual harassment as well as harassment based on any legally protected classifications. The Company will not tolerate such harassment by managers, supervisors or co-workers. The Company will also take appropriate action to protect employees from harassment by non-employees in the work place.

Sexual harassment is verbal or physical conduct of a sexual nature in the following circumstances:

- When submission to such conduct is made explicitly or implicitly a term or condition of employment;
- When submission to or rejection of such conduct is used as the basis for employment decisions affecting an individual;
- When such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Other forms of harassment based on an employee's protected status are also prohibited. Perry Ellis employees are prohibited engaging in any verbal, physical, or visual conduct which:

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- Denigrates or shows hostility or aversion toward an individual because of his/her protected status, or that of his/her relatives, friends or associates;
- Has the purpose or effect of creating an intimidating, hostile or offensive working environment;
- Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- Otherwise adversely affects an individual's employment opportunities.

Prohibited harassment includes, but is not limited to, epithets, slurs, negative stereotyping, or threatening, intimidating or hostile acts that relate to any protected status. Prohibited harassment also includes written or graphic material that is placed on walls, bulletin boards or elsewhere on the premises, or circulated in the workplace.

We Investigate Claims of Discrimination And Harassment And Take Prompt Remedial Action:

Employees should promptly report any incident of discrimination or harassment. The Company will conduct an investigation and, where appropriate, implement prompt remedial action. Any employee who witnesses or is subjected to discrimination or harassment is encouraged to contact his or her direct supervisor, manager, department head, or a Human Resource representative immediately. A supervisor, manager, or department head should ensure that appropriate standards of behavior are maintained in his or her area of responsibility. All supervisors and managers should immediately report any complaints of harassment or discrimination to Human Resources. Perry Ellis will not retaliate against you for making a bona fide, good faith claim of harassment or any other form of discrimination. To the contrary, we encourage you to report any discriminatory or harassing conduct that you experience in your job – so that we can do something about it.

Open Door Policy and Complaint Procedure:

Your ideas are always welcome. Constructive and candid thoughts and suggestions related to the Company are important to its success. Each employee is strongly urged to provide ideas on ways to improve productivity, morale, systems, and procedures that accommodate the needs of our employees and best support the mutual interests of the employee and the Company. You are encouraged to communicate your ideas and suggestions to your department manager, any other member of management, Human Resources, or to utilize Company suggestion boxes, if available.

Misunderstandings or conflicts can arise in any organization. We want our workplace to be mutually gratifying, an environment where you can develop your skills and where you enjoy your work. Toward that end, it is important that any problems that you might be having in the workplace be resolved before they affect your work or become more serious. Most workplace issues resolve themselves naturally. However, we have developed a mechanism for bringing

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complaints to management's attention if a problem persists that may be detrimental to the employee or the Company.

Human Resources and our managers maintain an "Open Door Policy" to field any complaints by employees regarding problems in the workplace. An employee experiencing any job-related problem should promptly report it to the employee's department head, or to the Human Resources Department. The Human Resources department will investigate the problem and take whatever action is appropriate. This procedure applies to any problem that an employee may be having in the workplace.

Personnel Records

The Company maintains personnel records concerning its employees. Employee records are Company property and are considered confidential documents. To ensure that your personnel file is up-to-date at all times, notify the Human Resources Department of any changes in your name, telephone number, home address, number of dependents, beneficiary designations, emergency contacts, and so forth. Your personnel records must be accurate. Any falsification or material omission on an employment application or other employment record, including records regarding hours worked, is a breach of Company policy and is grounds for disciplinary action including the possibility of termination of employment.

B. Employment Status

At-Will Status

Unless your employment is by virtue of a written contract signed by an officer of Perry Ellis with a specific provision regarding the term of your employment, your employment at Perry Ellis is at-will. This means the employment relationship may be terminated, with or without cause and with or without notice, at any time by you or Perry Ellis. In addition, employees may be promoted, demoted or transferred at any time and for any reason, with or without notice. Nothing in this handbook or in any document or statement shall limit the right to terminate employment-at-will. No manager, supervisor or employee of Perry Ellis has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment other than at-will. Only an officer of Perry Ellis has the authority to make any such agreement and then only in writing.

Introductory Period

For every new employee and re-hired employees, the first 90 days of full-time employment is an Introductory Period for both you and the Company. During this period, you will have the opportunity to learn about the Company, your job, and your new surroundings. Your Supervisor will be available to answer any questions that you may have. During this period, your job performance, attendance, attitude, and overall interest in your job will be carefully reviewed by your supervisor. The Company will then evaluate your performance and make a decision concerning your continued employment. Should an employee's performance become

unsatisfactory at any time during this Introductory Period, the employee could be subject to discharge at that time. Successful completion of the Introductory Period does not alter the "at-will" nature of your employment.

Involuntary Termination

We look forward to a long and mutually gratifying employment relationship with you. We understand, however, that it sometimes becomes necessary to terminate the employment relationship. As noted in other areas of this Employee Handbook, Perry Ellis employees are employed on an at-will basis, which means that we reserve the right to terminate the employment relationship at any time and for any reason, with or without notice, and with or without warning.

Voluntary Termination and Resignation

If you resign, retire, or for any reason decide to leave your employment by Perry Ellis, we request that you give us at least two weeks of prior notice. Of course, we would like you to be candid with us regarding your reasons for leaving our Company, including any opportunities for us to improve our workplace.

C. Health and Welfare

Our employee benefit plans are for the advantage of regular full time employees of Perry Ellis International. This means that temporary part time and leased employees are excluded from all Company benefit plans. A "temporary" employee is an employee that is hired on an "at will" basis for a limited term, whether for a period of days, weeks, or months. A "leased" employee is an employee who is working for Perry Ellis International but is being provided pay and employee benefits through a third party, such as a professional employer organization. The coverage of regular full time employees under any particular benefit plan is determined according to the written terms of the individual plan. This handbook does not enclose any information about coverage under any individual benefit plan. Benefits are listed below. Literature and information on individual plans is available from the Human Resources Department.

1. Health and Welfare Benefits
 - Medical
 - Dental
 - Vision
2. Disability Insurance
3. 401k Plan
4. Life Insurance
5. Tuition Assistance
6. Worker's Compensation Insurance

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D. Time Off

Lunch Periods

In order to stay healthy and maintain a productive work schedule, it is very important that you take your lunch break. Lunch periods are unpaid and vary according to job function and department schedules, and are determined by your supervisor. A regular meal period is 30 minutes, and the maximum meal period is one hour.

Take a Break

Other than your lunch break, we give you two regular breaks during your normal workday, one in the morning and one in the afternoon. Each of these breaks is for ten minutes. We pay you during these ten-minute breaks.

That being said, all part-time associates who work in excess of four (4) hours are entitled to a 10 minute break.

Vacation

Only regular, full-time Associates (regularly scheduled to work 30 or more hours of work per week) are eligible for paid vacation. Part-time Associates (regularly scheduled to work less than 30 hours per week) and Temporary Associates (those employed "at-will" but for a limited duration) do not accrue and are not eligible for paid vacation time. (See vacation policy)

Holidays (Non Retail) - (Please refer to the intranet for holiday observance dates)

Perry Ellis International recognizes seven (7) days as holidays.

New Years Day	Thanksgiving Day
Memorial Day	Day After Thanksgiving
Independence Day	Christmas Day
Labor Day	

Full-Time employees are eligible for paid holidays if their work schedule falls on an authorized holiday. If the employee is required by the Company to work on a holiday, he/she will be paid for the holiday plus the actual hours worked for that day at regular pay rates. In other words, one gets paid the regular eight-hours pay and in addition gets paid for the actual hours worked that holiday. An employee who has been regularly scheduled to work but does not report for work the day before and/or the day after a holiday on an unscheduled or unapproved absence may not be eligible for holiday pay.

Holidays (Retail Stores) - (Please refer to the intranet for holiday observance dates)

New Year's Day	Labor Day
President's Day	Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	

Personal Days

After completing the introductory period, all full-time employees may take up to six (6) personal days, with pay, each fiscal year. Personal days may be used at the discretion of the employee, and are intended to be used when an employee is sick and cannot come to work, when an employee needs to attend to personal business that cannot be scheduled outside the regular workday, and the like. Prior approval for the use of personal days is required in all non-emergency situations. Personal days must be used during the year in which they are accrued. There shall be no carry-over of personal days from year to year, and there shall be no payment for unused personal days at the end of any year or in the event of the termination of your employment for any reason.

Employed all or part of:	Eligible for:
3 months	1 day
4 months	2 days
6 months	3 days
8 months	4 days
10 months	5 days
11 months	6 days

Jury Duty

Perry Ellis employees are provided leave of absence for jury duty. Perry Ellis provides compensation for time lost from work because of jury duty where required by state or local law. You must present your summons for jury duty to your supervisor/department head and the payroll department as soon as possible after you receive it in order for your department to have adequate time to accommodate your absence.

Voting

We encourage all employees to vote in elections. Polls are open extended hours to accommodate employees' work schedules. Even so, we realize that in some instances our employees may be unable to vote unless given limited leave of absence during the regular workday. If you need leave of absence during the workday to vote, please discuss it with your supervisor and reasonable accommodations will be made to enable you to have time to vote.

Bereavement Leave

It is the policy of the Company to grant employees a maximum of three (3) working days off, with pay, to attend the funeral of a member of the employee's immediate family. Immediate family includes anyone recognized by law in any of the following capacities in relation to the employee:

Spouse	Brother	Daughter-In-Law
Parent	Sister	Son-In-Law
Daughter	Mother-In-Law	Grandparent
Son	Father-In-Law	Grandchild

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There is no "stacking" of bereavement pay in relation to other paid leave, and an employee who is already off or absent from the work because of vacation, holiday, sickness, or other reasons is not entitled to any additional pay for bereavement purposes.

Military Leave

If you are called to activate military duty or for training with the Reserve or National Guard, you should submit copies of your military orders to your supervisor and Human Resources as soon as is practicable. You will be granted a military leave of absence without pay for the period of military service, in accordance with applicable federal and state laws. If you are a reservist or a member of the National Guard, you are granted time off without pay for required military training. Your eligibility for reinstatement after your military duty or training is complete is determined in accordance with applicable federal and state laws.

Military Family Leave Entitlements

Eligible employees with a spouse, child or parent on active duty or called to active duty status in the National Guard or Reserves are entitled up to 12 weeks exigency leave without pay, for family members called to active duty or up to 26 weeks of leave to care for a family member who is a covered service member with a serious injury or illness that is incurred from their service in the military.

Family and Medical Leave of Absence (FMLA)

At any Company location having fifty (50) or more employees within a 75 mile radius, the Company will grant up to 12 weeks of family and medical leave of absence to eligible employees on an unpaid basis per rolling 12 month period. Qualifying leave of absence includes: employee or family member's serious health condition, the birth or adoption of an employee's child or placement of child for foster care, or to care for a family member with an injury or illness incurred as a result of their military service or to address certain qualifying military exigencies as specified in Company policy. The policy will be applied consistent with the requirements of the Family and Medical Leave Act of 1993, as amended and any parallel state or local law.

A "serious health condition" for purposes of this policy is an illness, injury, impairment, or physical or mental condition that involves a period of incapacity (inability to work) and: (A) inpatient care in a hospital, hospice, or residential medical care facility; or (B) continuing treatment by a health care provider. *(Please refer to the intranet for the FMLA Policy)*

Eligibility for the Family and Medical Leave:

- To be eligible for a Family and Medical Leave of Absence under this policy, an employee must have been employed by the Company for at least twelve (12) months and must have

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worked at least 1,250 hours during the twelve-month period preceding the commencement of the leave of absence.

- Spouses who are both employed by the Company are only entitled to a total of twelve (12) weeks of unpaid leave for Family Medical Leave qualifying events.

Requests for Family and Medical Leave of Absence should be made to the Human Resources Department. *(Please refer to the intranet for the FMLA Policy.)*

Substitution of Paid Leave

The Company may apply any part of an employee's accrued paid vacation time, personal time, or any other paid leave toward any part of the leave of absence. This is allowed for an approved Family and Medical or Military Leave of Absence. If a leave of absence is sought for the employee's serious health condition, the employee will be required to substitute any available paid sick leave for any part of the unpaid leave provided under this policy.

Conflicting State and Local Family and Medical Leave Laws

Where state or local family and medical leave laws offer more protection or benefits to employees, the protections or benefits provided by such laws will apply.

Domestic Violence Leave of Absence

An employee may take up to 3 working days of unpaid leave of absence in any rolling 12 month period if the employee or a family or household member is the victim of domestic violence. Leave may be used to seek an injunction for protection against domestic violence or sexual violence; obtain medical care or mental health counseling, or both, related to domestic violence for the employee or a family or household member; obtain services from a victim services organization; make the employee's home secure from the perpetrator or to seek new housing to escape the perpetrator; seek legal assistance in addressing issues arising from the act of domestic violence or to attend related court proceedings. **An employee seeking leave under this policy must first exhaust all vacation leave, personal leave, sick leave, and any other accrued but unused leave of absence.** Appropriate advance notice of the need for leave, where possible, is required.

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E. Employee Conduct and Discipline

The Company reserves the right to take disciplinary action at any level, including but not limited to a verbal warning, a written warning, suspension, termination or some other form of discipline, depending on the circumstances of the situation. The Company considers some offenses to be sufficient enough to warrant immediate termination. In all cases, the Company retains the right to determine which form of discipline is appropriate.

The forms of conduct which can lead to disciplinary action include, but are not limited to: falsification of records; misrepresentation of data or activities; acts of dishonesty; acts of discrimination or harassment; inappropriate business conduct; conduct jeopardizing the integrity of our products; tardiness and absenteeism; failure to report to work; theft; any form of workplace violence; disruptive behavior; gambling; insubordination; making threatening statements or engaging in behavior which threatens the safety of others; violation of our drug and alcohol policy; possession of a weapon on Company property; violation of safety rules; inattention to the job; damage to materials/equipment; working on personal matter on Company time; refusing to work overtime; and unauthorized absence from the work area.

Mitigating circumstances may be considered at all levels of discipline. These circumstances may consist of all facts that the Company considers to be relevant, such as length of service, unusual events or information surrounding a specific situation and the employee's overall record.

Job Duties

Your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects or to assist with other work necessary or important to the operation of your department or the Company. Your cooperation and assistance in performing such additional work is expected. The Company reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

Outside Employment

Employees are expected to work for the exclusive benefit of the Company. Any employee engaged in work for any other employer is responsible for ensuring that such employment does not create an actual or potential conflict with or compromise the employee's position or relationship with the Company or interfere with the quality of the employee's work.

Absenteeism, Attendance, and Punctuality Are Important

We like the work that you do for us – and we need you to be at work on time and on schedule. If you are absent or late for work, your co-workers have to absorb your job duties, or worse, your job does not get done. That is why it is important for you to be at work every day when you are

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scheduled to be here, and it is important for you to be to work on time. We have created a very generous benefit package for you, including a variety of different type of paid and unpaid leaves of absence. If you qualify for some form of leave of absence, we expect you to notify us as soon as possible of your need for leave so that we can make arrangements to cover your job. Absent the most severe emergency, you should never fail to report for work without any advance notice to your supervisor or Human Resources. We also expect that you will not abuse our leave of absence benefits. Unexcused absenteeism and/or tardiness in reporting for work will subject you to discipline.

Social Media Policy

This Social Media Policy applies to all employees of Perry Ellis International, Inc. and its subsidiaries and affiliates (collectively, "PEI") with respect to their use of social media platforms, both individually and on behalf of PEI. For purposes of this policy, "social media platforms" mean personal and PEI-managed or controlled websites and blogs, wikis, online social networks and communities (e.g., Facebook, MySpace, YouTube, Twitter), message boards, chat rooms, virtual worlds and any other types of online communities. PEI has crafted this policy for the purpose of clarifying how best to enhance and protect personal and professional reputations when participating in Social Media.

(Please refer to the intranet for the Social Media Policy.)

Insider Trading Policy

It is the policy of the Company that no director, officer or other employee of the Company who is aware of material nonpublic information relating to the Company may, directly or through family members or other persons or entities, (a) buy or sell securities of the Company (other than pursuant to a pre-approved trading plan that complies with SEC Rule 10b5-1), or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside the Company, including family and friends. In addition, it is the policy of the Company that no director, officer or other employee of the Company who, in the course of working for the Company, learns of material nonpublic information about a company with which the Company does business, including a customer or supplier of the Company, may trade in that company's securities until the information becomes public or is no longer material.

(Please refer to the intranet for the Insider Trading policy)

Code of Ethics Policy

As a responsible world-class company, we recognize that our continuing success depends on the contributions and effectiveness of all of our directors, officers and employees around the world. Maintaining an atmosphere in which this success is assured requires strict adherence to the highest standards of conduct in all of our relationships.

All of our dealings with fellow directors, officers, employees, customers, suppliers, competitors, and any others with whom we come in contact as representatives of PEI are based on mutual

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respect, trust and honesty, and we must endeavor to treat such individuals fairly. You must not take unfair advantage on anyone through manipulation, concealment, abuse of privileged information, intentional misrepresentation of facts or any other unfair practice.

It is important to report all violations or suspected violations of the Code. If you have a question about the policies outlined in the Code, talk to your supervisor. If you want to report a possible violation, call the Employee Help line. Reports to the Employee Help line may be made anonymously. Confidentiality for those who report will be maintained to the extent possible. Neither your supervisor nor the Company will take any action against you for reporting suspected misconduct in good faith.

(Please refer to the intranet for the Code of Ethics policy.)

Solicitation and Distribution of Literature

The distribution of literature or other material in working areas is prohibited. Employees are prohibited from soliciting other employees for any groups or organizations during their own working time or the working time of the employee being solicited. Break periods, mealtimes, or other specified periods during the work day when employees are not engaged in performing their work tasks are not considered working time. No person who is not an employee of the Company may come on the premises at any time to solicit for any cause or distribute material of any kind for any purpose.

Drug/Alcohol Free Workplace

Our workplace is drug and alcohol free. The use of illegal drugs (during or after working hours), and the presence of alcohol in your system while at work, presents a danger to your own safety and to the safety of your coworkers. The use of illegal drugs and the use of alcohol while at work also impacts the quality of your work. Therefore, we reserve the right to test employees and certain applicants for employment for the presence of illegal drugs and/or alcohol in their systems. To the extent allowed under applicable state and local law where you work, we reserve the right to require applicants for employment who have been made a conditional offer of employment to submit to a drug and alcohol test. We reserve the right to test employees based on "reasonable suspicion" of drug or alcohol usage in violation of this policy. We may require you to submit to a drug or alcohol test under other circumstances as well. Of course, any possession, use, sale or distribution of drugs or alcohol at work will subject you to immediate termination. If you test positive for drugs or alcohol, you may be terminated or denied employment, as the case may be. If you fail or refuse to submit to a drug or alcohol test when directed to do so, you will be subject to immediate termination.

Safety & Security

The Company is committed to providing a safe and healthful working environment. We expect you to make your own safety, and the safety of others, your first concern. We want you to work diligently to maintain safe and healthful working conditions and to adhere to proper operating

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practices and procedures designed to prevent injuries. If you are injured at work, no matter how minor the injury, we want you to report it to your supervisor and to our Human Resources Department. Relatively minor injuries can become severe if left untreated. We want you to be constantly mindful of your own safety and the safety of those working around you. (Please refer to procedure on reporting)

Distribution Center employees are requested to use close toe/closed heel, rubber soled shoes; slippers and sandals are prohibited. Distribution Center employees should not wear loose fitting clothing or dangling jewelry. Distribution Center employees are not allowed to wear shorts as part of there business attire.

Non-Smoking Policy

It is the Company's policy that our facilities be smoke-free. In the interest of employee health and morale, smoking is not allowed by employees anywhere within the interior of the buildings or adjacent to the primary public entrances. Individuals who smoke may do so outside the building during breaks or lunch periods, and away from the primary entrances to our buildings.

Courtesy

Courtesy is the responsibility of every employee. Everyone is expected to be courteous, polite and friendly to our distributors, retailers, consumers and agencies, and to their fellow employees. No one should be disrespectful to any of the above individuals, use profanity, or engage in any activity which injures the image or reputation of our Company.

Housekeeping

We place a high priority on the quality and cleanliness of our work environment. We have provided you with a clean, comfortable area for you to eat your meals and take your breaks. In order to maintain the cleanliness and quality of our work areas, employees are prohibited from taking or consuming food at their workstations. You may, if you choose, have a beverage at your desk, but only in covered containers.

Dress For Success

We prefer to avoid having any firm rules regarding the clothes that you can wear to work. We do require, however, that our employees exercise good common sense and good judgment in selecting clothes that they wear to work. There are some clothes that are always inappropriate for our workplace. For instance, any clothing that is unclean, torn, or overly revealing is inappropriate. Similarly, clothing that is too casual for the office, such as blue-jeans, sandals, casual shorts, and the like, is inappropriate and should not be worn to work.

Clothing is our business, and we will leave it to your discretion as to what you choose to wear to work. Keep in mind, however, that we should not have to tell you when you are wearing something that is inappropriate. With that in mind, we will not hesitate to send you back to your

home to change. If it becomes necessary for us to give you repeated counseling regarding your choice of clothes, you will be subject to discipline.

Friday Dress Down Days

- Clean, neat, well fitting jeans are acceptable
- No athletic sneakers
- No caps or head scarves
- Professional enough appearance to represent the Company

Please adhere to the above or it may be necessary to do away with Casual Fridays and establish a more stringent overall dress code.

Bulletin Boards

Our bulletin boards are for Perry Ellis business only. Employees are prohibiting from posting any material on our bulletin boards without approval by management and without some legitimate purpose relating to our business.

Gifts and Gratuities

Employees may not request or accept any gift or gratuity of any kind from any distributor, retailer, agency, or vendor without the express authorization of your Department Head. *(Please refer to the intranet for the Code of Ethics Policy)*

F. Business Equipment Is Not Private

Telephone use

Our telephones are business tools and personal calls should be limited. Telephone lines should be kept clear for business calls. Telephones are available in our lunch rooms and common areas for local personal calls. None of our telephones should be used to make long distance telephone calls for anything other than Company business.

Personal Cellular Telephones

The use/activation of personal cellular telephones during working hours is disruptive and therefore prohibited. Perry Ellis has provided all employees with state of the art land-based telephones for their use during business hours. There is no reason for you to be regularly using your cellular telephone in our building and, therefore, you are prohibited from using it.

Your Desk, Telephone, Computer and E-Mail Are Not Private.

Although employees have individual access codes to voice mail, email, and computer network systems, these systems are accessible at all times by Perry Ellis, and may be subject to periodic unannounced inspections by Perry Ellis for business purposes. All system passwords must be available to Perry Ellis and employees are prohibited from password protecting any information on our computer systems without a legitimate business purpose and without disclosing the applicable password to Perry Ellis in the ordinary course of our business. No Perry Ellis employee should have any expectation of privacy in any e-mail, computer system, stored computer files, or any other electronic system owned or used by Perry Ellis in the course of our business. Perry Ellis reserves the right to inspect any computer, e-mail, voice-mail, electronic file, desk, work area, file cabinet, or any other area of the Company.

Parking

There is designated parking on Company premises. Employees must fill out a parking permit form and will then be given a parking decal allowing them in the company parking lot, if this is applicable in your location.

Conservation

Turn off lights and electrical equipment when leaving a room and at the end of the day.

Air Conditioner

The air temperature is kept at a constant 72 degrees.

Lounge Etiquette

A lounge has been provided for our employee's convenience. The appliances are for general use, however, we ask that you clean up after you use them, wash your own dishes and clean the space where you sat. Please do not take food from the refrigerator that does not belong to you.

Forbidden Content

Employees are prohibited from using the Company's information systems in any way that may be disruptive or offensive to others, including, but not limited to, the transmission of sexually explicit messages, cartoons, ethnically or racially disparaging material, or the like.

Certificate of Receipt and Acknowledgment

I hereby acknowledge that I have received a copy of the Company's Employee Handbook. As a condition of my continued employment, I agree to conform to the Company's Employee Handbook, as may be changed from time to time.

I understand that the Company reserves the right to modify, amend, or terminate any portion of this Handbook at anytime, with or without notice.

I further understand that this Handbook does not create a contract of employment or any other guarantee(s), expressed or implied, between me and the Company.

I further understand that as an "at-will" employee, I can terminate my employment at any time for any reason, and that, similarly, the Company can terminate my employment at any time for any reason.

The Company may change, rescind or add to any policies, benefits or practices described in this handbook, other than the employment at will policy, from time to time, at its sole and absolute discretion, with or without prior notice.

Print Name of Employee

Employee Signature

Date

THIS HANDBOOK IS NOT A CONTRACT OF EMPLOYMENT, EXPRESS OR IMPLIED, REGARDING ANY OF THE ISSUES DISCUSSED IN THIS HANDBOOK. PERRY TELLS CAN TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME AND FOR ANY REASON, WITH OR WITHOUT NOTICE, AND WITH OR WITHOUT WARNING. IN THE EVENT OF A CONFLICT BETWEEN THE POLICIES EXPRESSED IN THIS HANDBOOK AND STATE LAW OR LOCAL LAW, STATE OR LOCAL LAW WILL CONTROL.



**DEPARTMENT OF PROCUREMENT MANAGEMENT
AFFIRMATIVE ACTION UNIT**

**PERRY ELLIS
INTERNATIONAL**

AFFIRMATIVE ACTION PLAN

This Affirmative Action Plan is intended to comply with Miami Dade Ordinance 98-30. It is Perry Ellis International, Inc.'s policy to proactively promote affirmative action in attracting and maintaining a diverse workforce. This policy applies to all our directors, officers and employees.

PEI expects to be successful in the marketplace because of the quality and integrity of its directors, officers and employees, and the products we provide. We expect our customers, business partners and others with whom we do business to operate similarly.

Each of us is responsible for our own actions and for knowingly complying with the law and the company's policies and procedures, including the policies set forth in this Policy. Personal consequences for violations of this Policy are serious and can include termination of employment.

Equal Opportunity.

Our policy is to operate under sound and legal personnel policies. Our objective is to be equitable and fair in the treatment of all directors, officers and employees in all situations. This includes, but is not limited to the following: (1) the selection and placement of any individual is based in that individual's qualifications, without regard to race, religion, national origin, sex, age or disability or other protected status; and (2) compensation is in accordance with an individual's contribution to PEI, without regard to race, religion, national origin, sex, age or disability or other protected status.

Harassment-Free Workplace.

The Company will not tolerate harassment by anyone, employee or non-employee. Any form of harassment related to an individual's race, color, religious creed, sex, sexual orientation, pregnancy, national origin, ancestry, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law is a violation of this policy and will be treated as a disciplinary matter. For these purposes, the term "harassment" includes but is not limited to slurs, jokes, other verbal, graphic, or physical conduct relating to an individual's race, color, religious creed, sex, sexual orientation, pregnancy,

national origin, ancestry, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law. Harassment also includes unwelcome sexual advances, requests for sexual favor and other verbal, written graphic, or physical conduct of a sexual nature.

Violation of this policy by an employee shall subject that employee to disciplinary action, up to and including termination.

If any employee feels that he or she is being harassed by any other employee based upon race, color, religious creed, sex, sexual orientation, pregnancy, national origin, ancestry, age, marital status, disability, veteran's status, or other factors protected by state, federal or local law, the employee should, at once, inform the immediate Supervisor or any member of the Human Resources Department. Human Resources will see that the matter is investigated, and where appropriate, prompt remedial action taken. If an employee does not feel that the matter can be discussed with the Supervisor, the employee can inform any member of senior management.

Harassment of employees in connection with their work by non-employees may also be a violation of this Code. Any employee who becomes aware of any harassment of an employee by a non-employee should report such harassment to his or her Supervisor, or to the Human Resources Department who is responsible for investigating all such incidents. Appropriate action will be taken against violation of this Code by any non-employee.

Global Labor Compliance

We believe that every person has a right to decent, humane and safe working conditions. Prior to the placement of production, factories are evaluated against our Vendor Code of Conduct and local labor laws, and thereafter are frequently monitored to ensure continued compliance.

The Vendor Code strictly prohibits child and forced labor, harassment, abuse and discrimination. Among other standards, we require that suppliers maintain a healthy and safe working environment, freedom of association, restriction on working hours and proper payment of wages.

Training is a key part of our program. Our internal audit team provides factories with guidance including mandatory annual educational seminars to provide updates on local labor laws and to review case studies and best practices as well as other related topics.

Global Workplace Diversity

Our commitment to diversity is based on respect for the individual, regardless of sex, race, ethnicity, country of origin, preferences or ideas. Offices located around the world are staffed by a family of culturally diverse associates and backed by suppliers from over

30 countries, generating an open and dynamic environment which positively impacts all areas of our business.

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO												OVERALL TOTALS
	MALE	FEMALE	*****MALE*****						*****FEMALE*****						
			WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SUPV. OFFICIALS & MGRS.	8	7	23	0	0	1	0	0	12	1	0	2	0	0	54
HRST/MD OFFICIALS & MGRS.	36	67	51	3	0	13	0	0	88	7	0	14	0	1	278
PROFESSIONALS	41	85	37	4	0	8	0	0	65	19	1	16	0	0	276
TECHNICIANS	1	0	0	0	0	1	0	0	1	0	0	0	0	0	3
SALES WORKERS	189	213	77	37	2	27	3	7	98	32	3	24	0	16	728
ADMINISTRATIVE SUPPORT	46	131	28	5	0	2	0	1	101	24	0	13	1	4	356
CRAFT WORKERS	6	14	0	0	0	0	0	0	4	0	0	6	0	0	30
OPERATIVES	21	49	5	1	0	0	0	1	24	8	0	2	0	0	111
LABORERS & HELPERS	63	46	10	20	0	1	0	0	10	7	0	2	0	0	169
SERVICE WORKERS	10	6	4	0	0	0	0	0	1	0	0	0	0	0	21
TOTAL	421	618	235	70	2	53	3	9	402	98	4	79	1	21	2016
PERIOD REPORT TOTAL	421	607	286	81	3	54	1	14	477	111	6	80	3	21	2165